




Office of the City Manager

WEEKLY M E M O

To: Honorable Mayor and City Council
From: Noah A. Simon, City Manager 
Re: Weekly City Manager's Report March 4, 2016

Good afternoon. I hope you all are well. Your Council packet this week includes agendas for the following meetings: March 9th City Council Work Session and March 10th Planning Commission.

City Council Work Session on Water and Sewer Infrastructure — The City's rate and financial consultants coupled with the engineering firms that looked at the existing utility infrastructure will meet with Council on Wednesday, March 9th at 6:00 p.m. in the Community Room at the Police Station. We will be discussing the proposed plan and proposed capital projects, rates, and financing options.

Tax Graphs — Attached are the February tax collection graphs for your review. Meals and sales taxes were good but lodging taxes, rescue fees, and water revenues were lower than previous collections.

Historic Survey Grant — Members of the team collecting data for the update of the Lexington Historic District will be in Lexington on Monday and Tuesday.

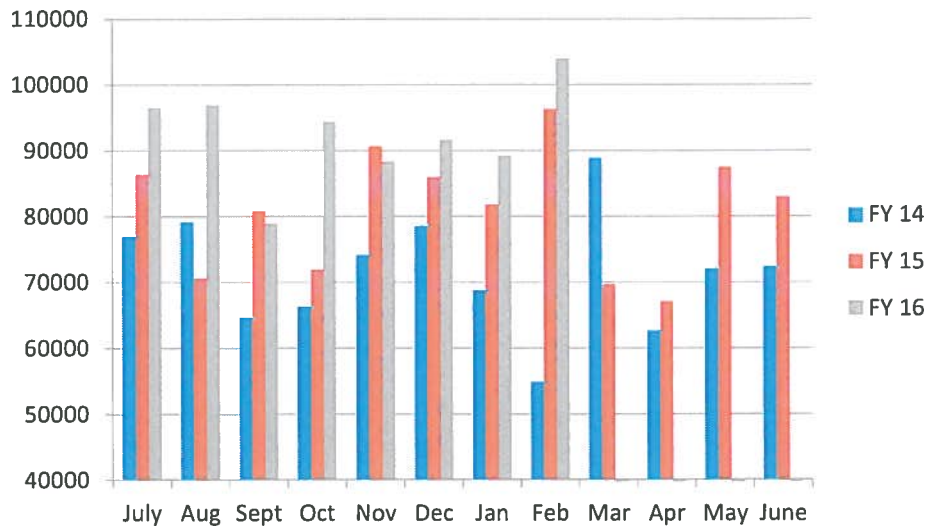
Shenandoah Valley Project Impact – 15 Year Report — I am sharing a copy of the Shenandoah Valley Project Impact 15 Year Report from the Central Shenandoah Planning District. "The report highlights the variety of disaster preparedness and mitigation educational programs and outreach activities that SVPI has implemented over the past 15 years."

The ACA and Ambulance Transport Revenue — Attached is an article that is a good summary of a webinar that Chief Dickerson recently participated in. In addition to a slight decrease in number of calls that Lexington has responded to as a result of Buena Vista and Rockbridge hiring their own career staff for ambulances, we are also affected by the nationwide trends mentioned in the above article. An aging population that is using or transitioning from private insurance to Medicare and a low income population that is using Medicaid and lower recovery rates due to the Affordable Care Act all contribute to the City's declining revenues.

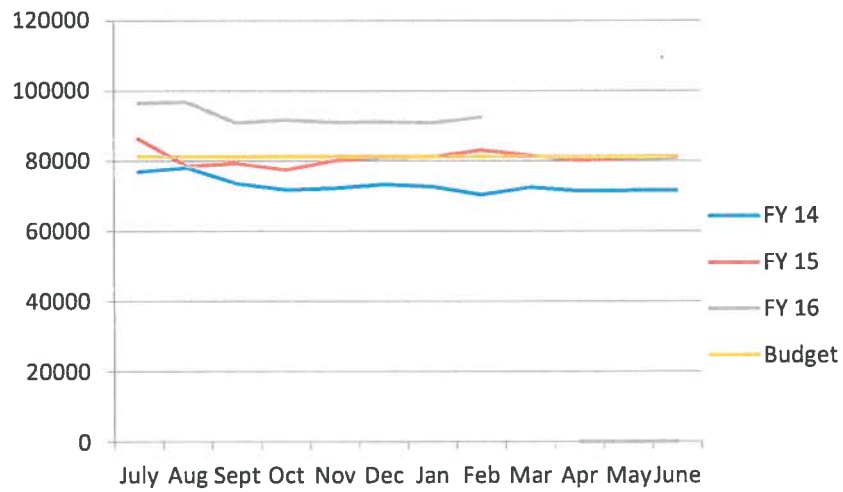
Tree Removal and Street Closure — On March 10, 2016, 8:00 a.m. – 12:00 p.m., West McDowell Street will be closed between Jefferson and Jackson Streets for tree removal

Enclosed: Two-week calendar

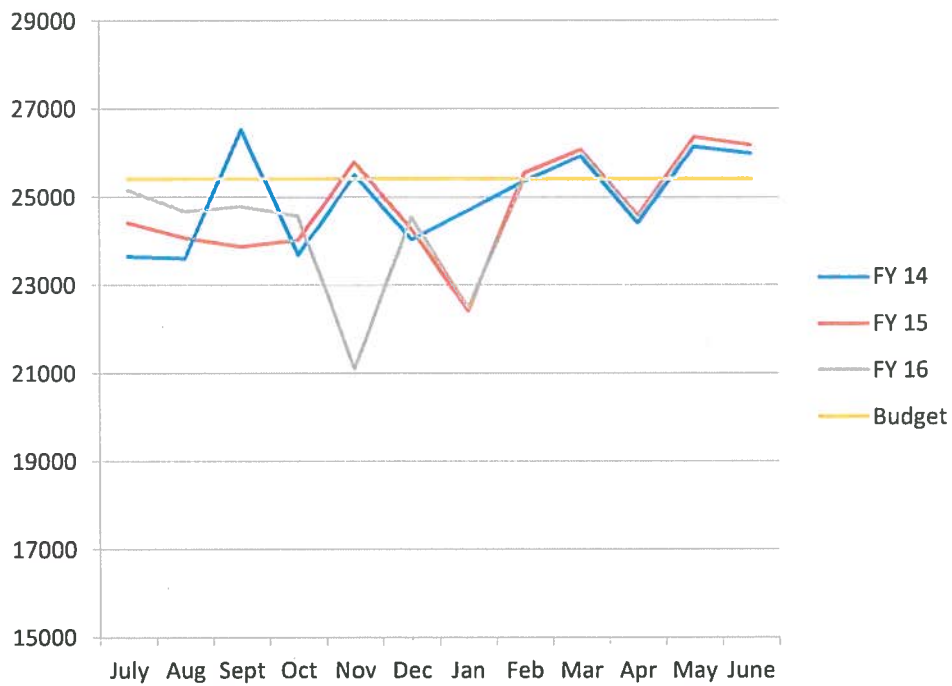
Sales Tax Collected



Avg Monthly Sales Tax



Avg Monthly Utility Tax

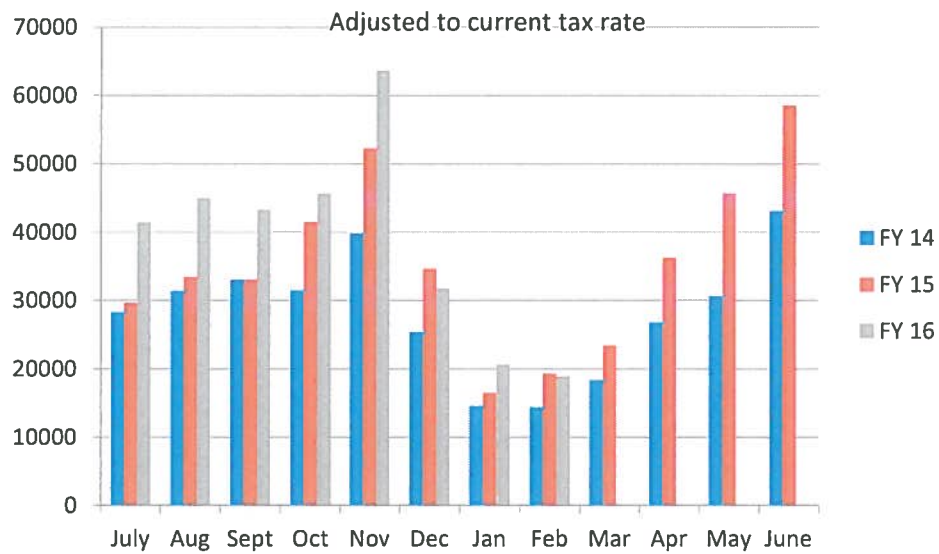


Meals Tax

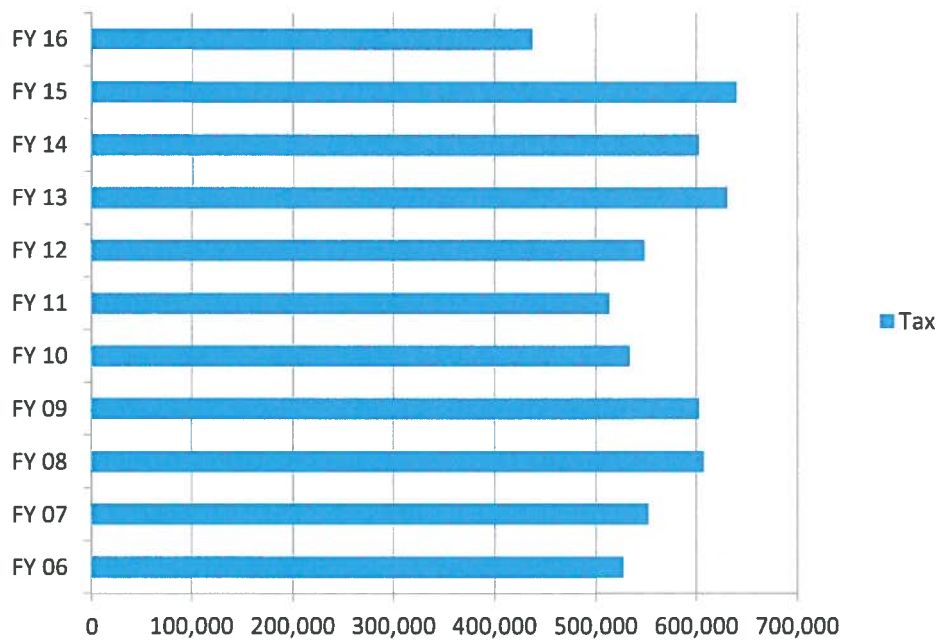
Adjusted to current tax rate



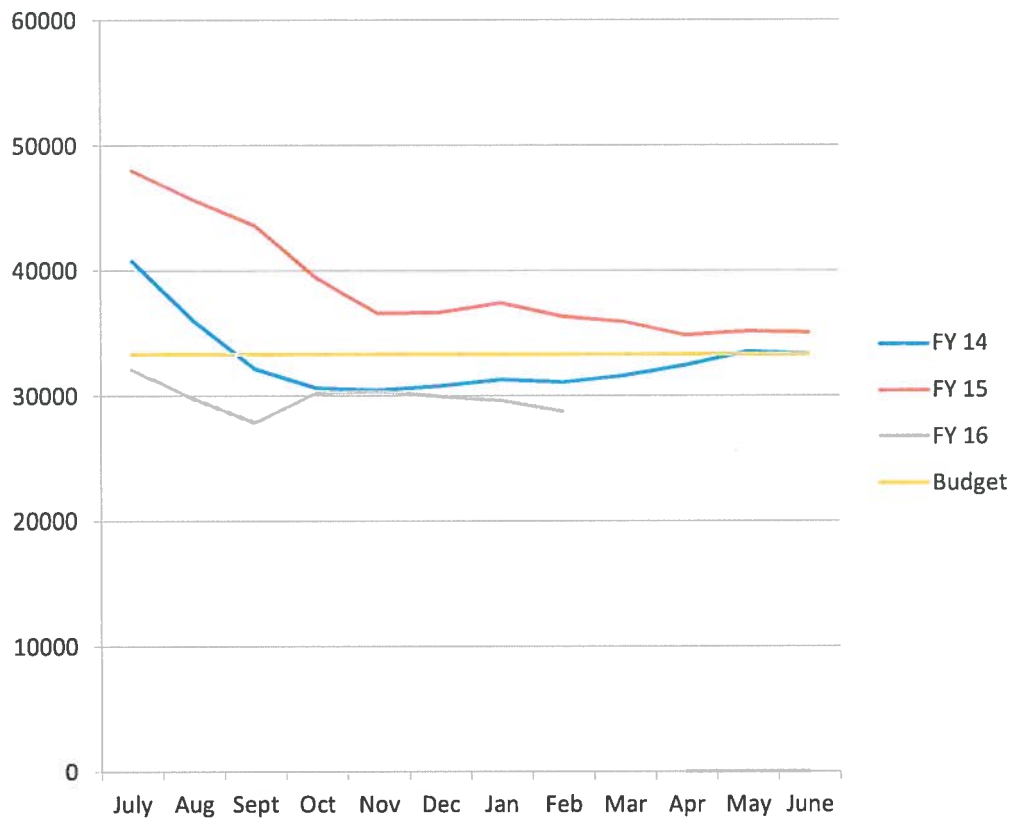
Lodging Tax Collected



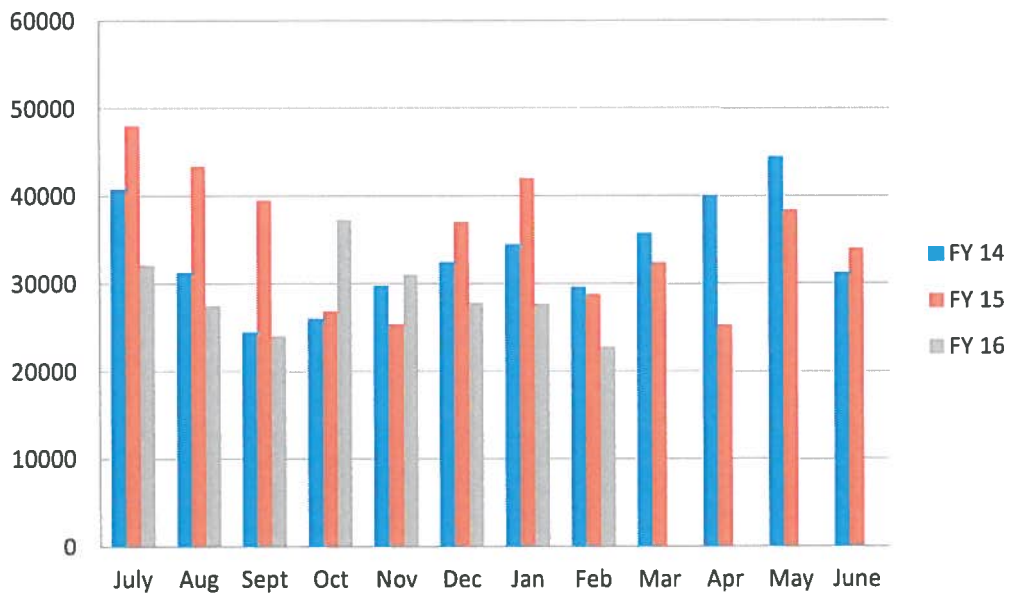
BPOL Tax



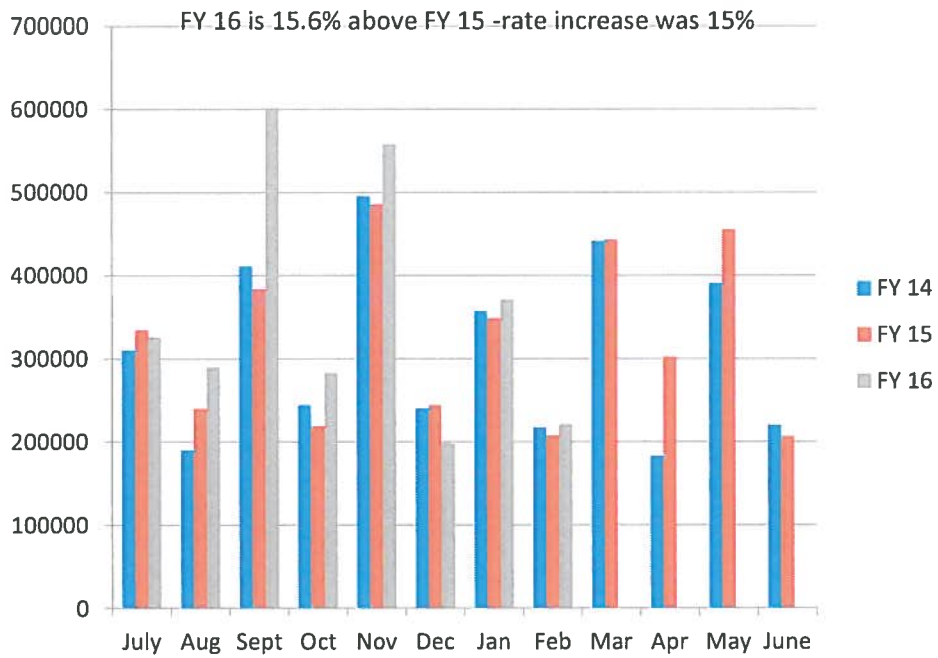
Avg Monthly Rescue Fees Collected



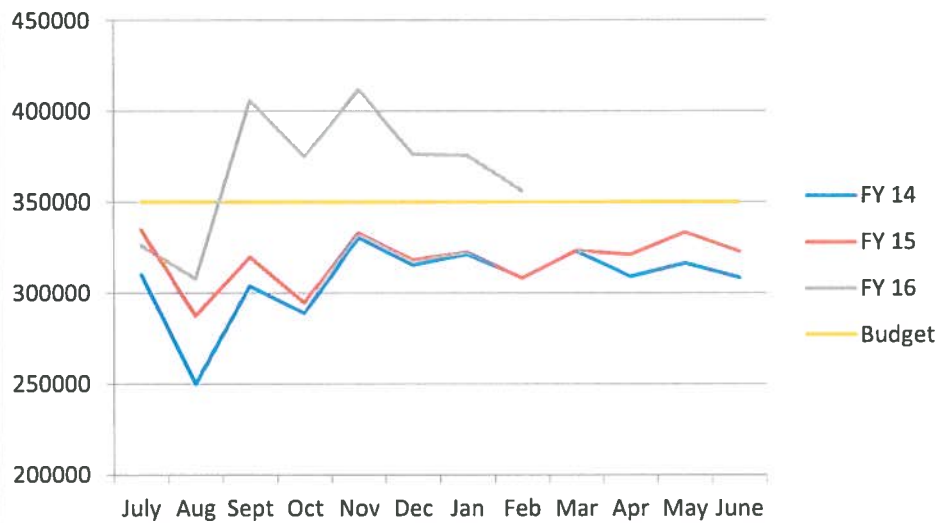
Rescue Fees Collected



Water & Sewer Fees



Avg Monthly Water/Sewer Fees





February 26, 2016

MEMO TO: Local Jurisdictions of the Central Shenandoah Planning District

FROM: Bonnie Riedesel, Executive Director

RE: Shenandoah Valley Project Impact (SVPI) 15-Year Report

The Central Shenandoah Planning District Commission (CSPDC) is pleased to present you with a copy of the "Shenandoah Valley Project Impact 15-Year Report: 2000-2015." This report highlights the variety of disaster preparedness and mitigation educational programs and outreach activities that SVPI has implemented over the past 15 years. Since 2000, the Region has experienced tropical storms, flooding, wildfires, winter storms, tornadoes, an earthquake, and even a derecho. It is in light of these natural hazards and through strong partnerships with local jurisdictions like yours that Shenandoah Valley Project Impact remains committed to creating resiliency in the Central Shenandoah Region.

If you have questions or need additional information regarding the enclosed report, please contact me or Rebecca Joyce, Program Manager/Senior Planner.



Shenandoah Valley Project Impact

15-Year Report: 2000-2015

**Creating Resiliency and Disaster-Resistance
in the Central Shenandoah Valley**

Shenandoah Valley Project Impact (SVPI) is a disaster preparedness and mitigation education and outreach program of the Central Shenandoah Planning District Commission. It was created in 2000 through the Federal Emergency Management Agency's Project Impact Initiative. It is due to the engagement and commitment of our local jurisdictions, partnering organizations, and concerned citizen volunteers that SVPI's program has continued to thrive. This report highlights the wide variety of activities and programs that Shenandoah Valley Project Impact has implemented over the past fifteen years.

The Four Goals of SVPI	Page 1
Community Education and Outreach	Page 1
Workshops and Training	Page 2
Publications	Page 2
Community Emergency Response Team	Page 3
Mitigation Planning	Page 3
Children's Awareness Campaign	Page 4
Special Needs Outreach	Page 4
Resilient Neighbors Network	Page 5
CSPDC	Page 5



Derecho - June 2012



Hurricane Fran - September 1996



Winter Storm Nemo - February 2013

The Four Goals of SVPI

1. Increasing Shenandoah Valley residents' awareness of disaster preparedness and mitigation methods.
2. Promoting mitigation methods that protect homes, public buildings, critical facilities, and natural spaces in the Shenandoah Valley.
3. Educating the business community on "disaster resistant" practices that minimize downtime of operations and help preserve the local economy.
4. Providing educational tools for Shenandoah Valley residents with special needs to help reduce their vulnerability to disasters.



Community Education and Outreach

The cornerstone of Shenandoah Valley Project Impact is community education and outreach. Educating the public on ways to prepare their families for and protect their properties from severe weather, emergencies, and disasters is implemented through a variety of traditional and innovative methods.

A few highlights of SVPI's Community Education and Outreach include:

- Presentations and distribution of educational materials at hundreds of community events, civic group gatherings, and human service/business organization meetings.
- Rotation of display boards and education materials in public buildings and libraries throughout the Region.
- Creation and distribution of the Shenandoah Valley Project Impact Preparedness and Mitigation Annual Calendar.
- Donation of a collection of non-fiction and fiction disaster-related books to each public library system in the Region..
- Establishment of a Resource Center of disaster preparedness and mitigation educational materials in a variety of formats that can be "checked-out" by organizations and individuals.

Photos on this page:

- A family prepares a disaster supply kit.
- House elevation during the Glasgow Housing Relocation and Floodproofing Project.

Workshops And Training

Over the past 15 years, Shenandoah Valley Project Impact has held numerous workshops and trainings for a variety of audiences to educate them on preparedness planning, mitigation methods, and resiliency techniques. Some workshops and trainings provided by SVPI include:

- Disaster Recovery Strategies
- Watershed Management Planning
- Disaster Debris Removal
- Emergency Planning for Persons with Special Needs
- Document Preservation
- Emergency Operations Plans for Human Service Organizations
- Anatomy of a Disaster
- The National Flood Insurance Program for Insurers
- Emergency Planning for Childcare Centers

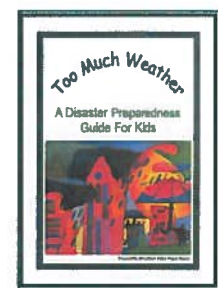
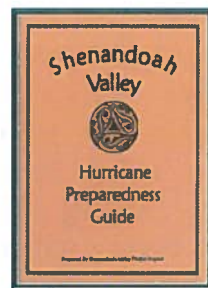


Participants attend a SVPI workshop.

Publications

Shenandoah Valley Project Impact furthers public awareness through the creation and distribution of educational materials. Publications developed by SVPI include:

- Shenandoah Valley Hurricane Preparedness Guide
- Disaster Preparedness and Mitigation Guide For Businesses
- Too Much Weather - a Disaster Preparedness Guide For Kids
- Disaster Preparedness Calendar in 2003, 2004, 2006, 2010, 2011, 2012, and 2015
- Brochures:
 - ◇ Prevent and Prepare: Simple Ways To Protect your Family From Disaster
 - ◇ Terrorism: What You Need To Know
 - ◇ Is Your Business Disaster Resistant?
 - ◇ What I Need To Know: A Kid's Preparedness Checklist
 - ◇ Tote Bag Disaster Supply Checklist for Seniors



Community Emergency Response Team

Shenandoah Valley Project Impact began offering Community Emergency Response Team (CERT) training in September 2003. The CERT curriculum was developed by the Federal Emergency Management Agency (FEMA). The purpose of CERT is to teach the average citizen basic skills in disaster preparedness, fire safety, disaster first aid, terrorism awareness, disaster psychology, and pandemic flu.

Some highlights of the CERT program include:

- Thirty-two (32) basic CERT training courses have been taught over the past twelve years. Five hundred and seventeen (517) individuals have completed basic CERT training. Over a hundred (100+) CERT members are active volunteers willing to help their communities during severe weather, emergencies, or disasters.
- Advanced training opportunities are offered to CERT members several times a year. Some advanced trainings have included; CPR, Wildlife in Disasters, Wildfire Mitigation Assessment, Disaster Animal Response, Fire-fighter Rehab, and Leadership Development.
- CERT members have volunteered in non-disaster times with public education at community events and in local emergency drills and exercises.
- In the aftermath of severe weather or disasters, CERT volunteers assist their communities as they recover. For example in June 2012, after a strong Derecho moved through the Region, CERT volunteers assisted at a cooling station in the City of Staunton.

Mitigation Planning

Shenandoah Valley Project Impact members have assisted in two major regional mitigation planning efforts since 2000, the Central Shenandoah Valley Regional Flood Mitigation Plan (2002) and the Central Shenandoah Valley All Hazards Mitigation Plan (2005, 2013). Each of these documents were created through a planning process that involved committees comprised of elected officials, local government staff, technical experts, and public input. These plans were developed on a multi-jurisdictional basis and adopted by each local jurisdiction. A hazard risk assessment, maps of vulnerable areas, disaster history, and prioritized mitigation strategies are included in both of these plans.



CERT Course Participant practices using a fire extinguisher with instructor.



CERT Volunteers handout preparedness materials.

Children's Awareness Campaign

Shenandoah Valley Project Impact has made great efforts to include outreach to children as one of its program activities. To help children understand the differences between ordinary weather events and severe weather, SVPI has developed its "Too Much Weather" program. This program uses stories, activities, and group discussion to teach children about disaster preparedness.

Other Children's Awareness and Outreach activities include:

- Disaster preparedness displays and distribution of materials at community events for families and children.
- Presentations to a variety of children's groups such as childcare centers, after-school programs, summer camps, and scout groups.
- Creation and distribution of our "Too Much Weather - A Disaster Preparedness Guide For Kids". This guide educates children about what to do before, during, and after a disaster.



Special Needs Outreach

Since its formation, Shenandoah Valley Project Impact has recognized the importance of creating an awareness program that would reach all residents in the Central Shenandoah Region. SVPI assists individuals with a variety of special needs including those with physical, mental, medical, or intellectual challenges; the elderly, non-English speaking persons, persons with low to moderate incomes, and pet owners with their individual disaster planning and preparedness. Creating awareness among the first responder community about people's special needs in emergencies and disasters is also a goal of SVPI. Ensuring that educational materials are available in alternate formats such as large print and Braille, and providing spoken language and sign language interpreters at educational programs are other ways SVPI strives to reach the whole community.

Photos on this page:

- Children view an SVPI display at a community event.
- Smokey Bear greets children at the Augusta County Fair.
- Pet preparedness is one area of special needs outreach that SVPI includes in its program.

Resilient Neighbors Network

In 2012, the Central Shenandoah Region was invited to become one of only ten charter communities in the United States to be part of the Resilient Neighbors Network (RNN). Developed by the Natural Hazards Mitigation Association (NHMA) in conjunction with Federal Insurance and Mitigation Administration (FIMA), this grassroots peer-to-peer community program is designed to help communities work together, strengthen, and expand local hazard-mitigation programs. This co-mentoring network also offers ideas and feedback to FIMA on how they can help increase community resilience to natural hazards. To find out more about RNN, the website is <http://resilientneighbors.com>.



RNN Community Representatives.



RNN Community locations throughout the U.S.

CSPDC



This report was prepared by the Central Shenandoah Planning District Commission (CSPDC). The CSPDC was chartered on September 30, 1969 and is comprised of five counties, five cities, and eleven towns. For forty-six years, the CSPDC has been providing assistance to local governments and their citizens with issues including land use planning, transportation, disaster mitigation and preparedness, solid waste management, economic development, water and waste water, emergency management, housing, water resource management, environmental planning, mapping, and human services. The Central Shenandoah Planning District Commission makes every effort to respond to the changing needs of the citizens of the Central Shenandoah Valley. Should you have any questions, please call or email us.

Central Shenandoah Planning District Commission
 112 MacTanly Place; Staunton, Virginia 24401
 Phone: 540-885-5174 E-mail: cspdc@cspdc.org



The ACA and Ambulance Transport Revenue

Return to the [March 1, 2016](#) issue of *On Scene*

The Wicked Problem in Healthcare

The Patient Protection and Affordable Care Act (ACA) was designed to solve wicked problems. The cost of healthcare in America is increasing at unsustainable rates and is projected to continue rocketing upward. In response to this dire situation, the ACA was designed to accomplish what is referred to as the Triple Aim:

- Lowering per capita cost
- Improving patient care
- Improving population health

Regardless of your stance on the ACA, these are valuable goals reflecting real problems that must be solved quickly. Part of that responsibility falls on EMS, because in some circumstances EMS can contribute to wasteful spending.

In most EMS systems, patients are treated in the field, loaded into a very expensive ambulance and taken to an even more expensive emergency room. Though it's true that EMS accounts for less than 1% of the all healthcare dollars spent in America, this method of treatment is a source of huge costs.

The ACA's expansions of Medicare and Medicaid may also drive down your agency's ambulance reimbursements. Understanding how these changes will impact your ambulance reimbursement rates and keeping your eye on EMS delivery-system reform opportunities is crucial to keeping your agency ahead of the curve.

Understanding Your Revenue Problem: Payer Mixes

You must know your payer mix to understand how the ACA will financially impact your department. A *payer mix* is the percentage of patients that pay you through Medicare, Medicaid, commercial insurance or private pay. Most transport agencies have 50-60% of their patients on a combination of either Medicaid or Medicare, both of which fail to provide enough revenue to compensate your agency.

You also need to know the percentage of your population over 60 years old. This population will most likely transition from commercial insurance to Medicare upon reaching 65. This data point will help you predict changes in your payer mixes within the next five years, knowing that your ambulance reimbursements for that population will decrease from 100% of the billable amount to 20%-40% of billable amounts.

The exact number depends on what your typical ambulance transport charges are, whether you balance-bill Medicare patients and whether those transitioning to Medicare will have a supplemental health policy.

Understanding Your Revenue Problem: Payer Rates

It's critical to know the payer rates of each classification of patients your agency transports. To highlight this problem, let's assume an average ambulance billing rate of \$1,500. In most cases, commercial insurance, along with the patient paying a co-pay, will reimburse your agency 100% of the billable amount.

On the other hand, Medicare will reimburse about \$400, which is 26% of your billable amounts and Medicaid will pay about \$120 or 12% of the billable amount. This consistent underfunding by governmentally sponsored health insurance forces many agencies to increase their ambulance billable rates well above the cost of providing the service. The result is that those with commercial insurance in effect subsidize the underfunded reimbursements from Medicare and Medicaid.

Three Wicked Scenarios Your Department Will Face

Considering the significant underpayment of Medicare and Medicaid when compared to your agency's actual costs, from a business-survival perspective, there are three things you don't ever want to see. Unfortunately, these three wicked-case scenarios are occurring or will occur in part as a result of the ACA.

Baby Boomers – This large segment of our society was born between 1946 and 1964 and account for roughly 26% of the population. Baby Boomers began reaching age 65 in 2011. This huge generation is retiring at the rate of 10,000 per day ("Baby Boomers Retire," Pew Research Center, December 29, 2010). This rate of daily retirements is expected to last until about 2029. Most Baby Boomers will transition from commercial insurance to Medicare ([Who Can Get Medicare \[PDF\]](#)).

This will reduce your revenue by 73% for each new Medicare patient your agency transports. This impact may be mitigated, based on whether your department bills all your Medicare patients for the remaining balance and if those patients choose to have supplemental health insurance policies. Knowing how many people in your population are 60 is important to prepare for the next five years when they transition to Medicare.

You likely have been experiencing this wicked scenario since 2011, with a significant increase in Medicare billings for every year since.

PPACA – Many states expanded the maximum income threshold to qualify for Medicaid from 106% of the federal poverty level (FPL) to 133%. Some states like Connecticut have further increased this amount to 196% of the FPL for a parent of minor children ([PDF](#)).

This has allowed those with commercial health insurance to qualify for the cheaper option of Medicaid. Of the total patients in the U.S., 2.5% transitioned from commercial insurance to Medicaid.

As a result of this transition and the addition of previously uninsured individuals, Medicaid enrollment has increased by 5% (Impact of Healthcare Reform on California's EMS System, California Ambulance Association, September 19, 2012).

For each patients transitioning from commercial insurance to Medicaid, your agency will lose 92% of the ambulance transport reimbursement for calls involving these patients.

Increasing 9-1-1 Call Load – This has been occurring for some time; we just may not have known why. Individuals with Medicare and Medicaid tend to overuse the emergency medical system 78% of the time, while those with commercial insurance overuse the emergency system 17%.

In the Medicaid program, most patients must see a primary care physician for the vast majority of their ailments. This is compounded because primary care physicians, who are already in shortage, can choose to accept or decline Medicaid patients. With a reimbursement rate of around 10%, many doctors understandably decline Medicaid patients.

Of course, when a Medicaid patient can't access a primary care physician, they call 9-1-1 and seek care at the emergency room. Additionally, as Baby Boomers grow older and require more healthcare, they'll find themselves increasingly using 9-1-1. Keep in mind that these patients now have Medicare. This may be why many EMS agencies across the nation have seen increases in their EMS call volume with no proportional increases in the population they protect.

This third wicked scenario will have a compounding problem when your call loads increase to the point that, in order to maintain response time commitments, you must add additional ambulances, which only generate lower reimbursements, insufficient to offset their operating costs.

Conclusion

EMS systems will likely see decreasing reimbursements and increasing call volumes. We must understand that patient demographics have changed, but in most cases our delivery systems have not. Our reimbursement methodologies have not kept up with the changing population.

These wicked scenarios will break our budgets and, for many organizations, will not be sustainable. We can't continue to automatically send very expensive paramedic ambulances to every patient problem when well over 60% of those patients don't require such a response. We need to innovate our EMS services to address our patients' actual problems.

Mike Metro is the retired chief deputy for the Los Angeles County Fire Department. He currently serves as the IAFC's ACA Task Force chair and the vice chair of the IAFC's [EMS Section](#).

On behalf of the IAFC, I want to thank Chief Metro and the members of the Patient Protection and Affordable Care Act Task Force for their hard work and expertise on this important issue. The alarm they're sounding is loud and clear: EMS systems are sure to experience decreasing ambulance transport reimbursements and increasing call volumes. As leaders, we must recognize this reality today and plan ahead to find sensible solutions that will work for our departments and the communities we serve.

This paper provides important insight into this issue.
~ Chief Rhoda Mae Kerr, president and chair of the board

Rate this item

Average Rating:



[Log in](#) to rate this item.

Reviews

[Log in](#) to write a review

(10500 of 10500 characters remaining)



Mark Schiowitz, March 02, 2016

Frightening, but true. Responsible agencies are planning now for these realities.

City Council Work Session
Wednesday, March 9, 2016 6:00 p.m.
Lexington Police Department Meeting Room
11 Fuller Street, Lexington, VA

- 1. Call to Order** – Mayor Elrod
- 2. Rates** – City Manager Noah A. Simon and Consultants
- 3. Adjourn** – Mayor Elrod



LEXINGTON PLANNING COMMISSION

Thursday, March 10, 2016 - 5:00 P.M
First Floor Court Room
Rockbridge County Administrative Offices
150 South Main Street, Lexington, VA

AGENDA

1. CALL TO ORDER

2. APPROVAL OF MINUTES

Regular Meeting Minutes from the meeting of February 25, 2016.

3. CITIZENS' COMMENTS ON MATTERS NOT ON THE AGENDA

4. NEW BUSINESS

A. CUP 2016-01

An application for a Conditional Use Permit (CUP) for a school at 227 N. Lewis Street, modifying the conditions of a previously approved CUP (2013-06).

- 1.) Staff Report
- 2.) Applicant Statement
- 3.) Public Comment
- 4.) Commission discussion & decision

5. OTHER BUSINESS

A. Review of Bylaws

B. Entrance Corridor Update – Noah Simon, City Manager

C. Discussion of Zoning Ordinance Update

- 1.) Community meeting time/date/location
- 2.) Uses and definitions

D. City Council Report

6. ADJOURN

City of Lexington

March 2016

March 7	MONDAY	March 14
	<p>4:30 p.m. School Board 300 Diamond Street</p> <p>6:00 p.m. Board of Zoning Appeals with Public Hearing on 8 Marble Lane City Hall Community Meeting Room 300 East Washington Street, 1st Floor</p>	
March 8	TUESDAY	March 15
March 9	WEDNESDAY	March 16
6:00 p.m. City Council Work Session-Rates Lexington Police Department Meeting Room		
March 10	THURSDAY	March 17
5:00 p.m. Planning Commission with Public Hearing on 227 N. Lewis St. Rockbridge Admin Building, 150 S Main St.	<p>4:30 p.m. Architectural Review Board Community Room, 300 E Washington St.</p> <p>8:00 p.m. City Council Regular Meeting Rockbridge Admin Building, 150 S Main St.</p>	
March 11	FRIDAY	March 18

MARCH						
M	T	W	T	F	S	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			